

Ozuem, Wilson, Ranfagni, Silvia, Willis, Michelle and Rovai, Serena (2020) User-generated content, service failure and recovery strategies in the fashion industry: the need for a hybrid approach. In: American Marketing Association (AMA) Winter 2021 Conference, February 17th-19th 2021, Online. (Unpublished)

Downloaded from: <http://insight.cumbria.ac.uk/id/eprint/5823/>

Usage of any items from the University of Cumbria's institutional repository 'Insight' must conform to the following fair usage guidelines.

Any item and its associated metadata held in the University of Cumbria's institutional repository Insight (unless stated otherwise on the metadata record) may be copied, displayed or performed, and stored in line with the JISC fair dealing guidelines (available [here](#)) for educational and not-for-profit activities

provided that

- the authors, title and full bibliographic details of the item are cited clearly when any part of the work is referred to verbally or in the written form
- a hyperlink/URL to the original Insight record of that item is included in any citations of the work
- the content is not changed in any way
- all files required for usage of the item are kept together with the main item file.

You may not

- sell any part of an item
- refer to any part of an item without citation
- amend any item or contextualise it in a way that will impugn the creator's reputation
- remove or alter the copyright statement on an item.

The full policy can be found [here](#).

Alternatively contact the University of Cumbria Repository Editor by emailing insight@cumbria.ac.uk.

User-generated content, service failure and recovery strategies in the fashion industry: the need for a hybrid approach

Wilson Ozuem*, Silvia Ranfagni**, Michelle Willis*** and Serena Rovai****

University of Cumbria (UK)*, University of Florence (Italy)**, University of Cumbria (UK)***, Excelia Business School (France)****

For further information, please contact Wilson Ozuem (wilson.ozuem@cumbria.ac.uk)

KEY WORDS: user-generated content, service failure, phenomenological hermeneutics, social influence theory, actor network theory, fashion industry

DESCRIPTION

This study proposes a framework that characterises customers into four main streams: forgivers, avengers, mass crowders and disregarders. Our study has important managerial implications for brand managers and offers critical insights into customers' responses in the fashion industry.

EXTENDED ABSTRACT

RESEARCH QUESTION

There is much evidence that user-generated content (UGC) may lead to effective recovery efforts (Hewett, Rand, Rust, & van Heerde, 2016; McQuarrie, Miller, & Phillips, 2012) and firm-generated content (FGC) has been posited as an important mediator in service recovery processes. Several researchers have studied the significance of technology platforms that

enable UGC or allow customers to use content provided by the firm (Eigenraam, Eelen, Van Lin, & Verlegh, 2018; Wang, Yang, & Ding, 2019). Others have looked at the integration of UGC and FGC into marketing communication strategies (Hewett et al., 2016; Kumar, Bezawada, Rishika, Janakiraman, & Kannan, 2016) whilst some authors have studied customers' genesis stories in the context of brands. The latter are a form of UGC that have been described as authentic accounts of customer motivations and experiences with specific brands (Wang, Noble, Dahl, & Park, 2019). Research has illuminated the benefits of traditional online marketing information, such as product reviews, that influence search and product choice. Sales and viewership have also been the subject of analysis (Chevalier & Mayzlin, 2006; Godes & Mayzlin, 2004). Our research objective is to understand how and to what extent UGC creation influences the efficiency and speed of service recovery efforts. Specifically, we have set out to examine how customer-to-customer interactions, millennials' interactions in particular, impact recovery efforts.

METHODS AND DATA

To fully investigate and understand the data, this study utilises a phenomenological hermeneutics methodology. "Interpretation is grounded in something we have in advance, ... understanding operates in ... an involvement whole that is already understood and grounded in something we see in advance – foresight' (Heidegger, 1962/2004, p. 191). We adopted an exploratory, multiple, and holistic case study design. The case study design allows researchers to examine a phenomenon situated in a specific context (Hancock & Algozzine, 2017) meaning it is possible to develop an in-depth understanding of a specific case. The case study explores situations, allowing researchers to consider different outcomes (Yin, 2014) and to explore a phenomenon using a variety of data sources to draw out multiple sides of the phenomenon (Baxter & Jack, 2008). The study is limited to a single case but explores multiple groups of

individuals. Based on a holistic approach, the study provides results that are generalised, thus limiting the number of variables. However, it reflects the perspective of several units (millennials) from three countries, and their perspectives of service failure in the online fashion industry. We chose participants based on professional contacts to identify cases that met our sampling requirements (i.e. millennials between 18 and 39 years of age). A total of 100 individuals were invited to participate in the study from three countries (France, Italy and the UK). Of these, 60 individuals accepted invitations and participated in the study.

SUMMARY OF FINDINGS

This study further develops the conceptualisation of customer responses to service failures and provides a set of practical insights that brand managers can employ to reduce customer dissatisfaction with service failures. The study characterises customers based on the level of severity they perceive in relation to service failure and based on their level of UGC activity through social media.

SUMMARY OF KEY FINDINGS

The overall of the current study is to increase our understanding of the complex and varied mechanisms of UGC influence, both conceptually and empirically in the recovery efforts. This study further develops the conceptualisation of customer responses to service failures and provides a set of practical insights that brand managers can employ to reduce customer dissatisfaction with service failures. The study characterises customers based on the level of severity they perceive in relation to service failure and based on their level of UGC activity through social media. From these groupings, the study identifies four key customer types: forgivers, avengers, mass-crowders and disregarders. Forgivers have a strong emotional attachment with the brand that causes them to focus on positive outcomes (Stokburger-Sauer et al., 2012). This reduces their motivation to engage with negative UGC. In contrast, mass-

crowders are novice customers and their inexperience makes them more reliant on other customers. Forgivers can endorse the ability of brands to manage service failures which may influence mass-crowders' perspectives of the brand, potentially motivating them to become loyal customers in the long term.

In contrast, avengers, as with forgivers, are highly self-focused in their behaviour which makes them less affected by the attempted persuasion of others (Chang & Hung, 2018). This means that the influence of forgivers will be less effective towards avengers. Avengers expect active solutions from providers that meet their expectations (Habel, Alavi, & Pick, 2017) and will probably analyse the effectiveness of service recovery strategies based on how they were treated throughout the process (Septianto et al., 2020). This group will have the highest motivation to share negative WOM through UGC, which, depending on its severity, is likely to attract mass attention through social media (Esmark-Jones et al., 2018).

Avengers can indirectly influence a disregarder's perception of the brand regarding service failures. Some disregarders may forgive service failures but others may choose to forget the failure based on the perception that the provider cannot or will not provide solutions, leading their relationship with the brand to be based primarily on the monetary benefits they receive (Gebauer, Füller, & Pezzei, 2013). However, like avengers, disregarders' attention is focused on the actions delivered by the provider itself. If disregarders observe online messages exchanged between providers and avenger customers, it is possible that disregarders' perceptions may change based on the provider's willingness to help customers (Ibrahim et al., 2017); the online exchange of messages provides evidence of the provider's efficiency in managing service failures.

References available on request